

Housing Assistance Payments will continue until the Total Tenant Payment equals the Contract Rent plus any applicable Utility Allowance. The termination of eligibility at such point will not affect the family's other rights under its lease, nor will such termination preclude the resumption of payments as a result of later changes in income, rents, or other relevant circumstances during the term of the contract. However, eligibility also may be terminated in accordance with HUD requirements, for such reasons as failure to submit requested verification information, including failure to meet the disclosure and verification requirements for Social Security Numbers, as provided by part 5, subpart B, of this title, or failure to sign and submit consent forms for the obtaining of wage and claim information from State Wage Information Collection Agencies, as provided by part 5, subpart B, of this title. For provisions requiring termination of assistance for failure to establish citizenship or eligible immigration status, see part 5, subpart E, of this title for provisions concerning certain assistance for mixed families (families whose members include those with eligible immigration status, and those without eligible immigration status) in lieu of termination of assistance, and for provisions concerning deferral of termination of assistance.

[56 FR 7543, Feb. 22, 1991, as amended at 60 FR 14847, Mar. 20, 1995; 61 FR 11119, Mar. 18, 1996; 65 FR 16724, Mar. 29, 2000]

EFFECTIVE DATE NOTE: At 65 FR 16724, Mar. 29, 2000, § 886.324 paragraph (a) was amended by removing "part 813 of this chapter", "of part 812", and "24 CFR part 812" and adding "part 5 of this title" in their place, and paragraph (c) remove "Gross Rent" and add "Contract Rent plus any applicable Utility Allowance" and remove "24 CFR 812.9, and also 24 CFR 812.10" and add "part 5, subpart E, of this title", effective Apr. 28, 2000.

§ 886.325 Overcrowded and underoccupied units.

(a) *Change in family composition, family's notification.* The family shall notify the owner of a change in family composition and shall transfer to an appropriate size dwelling unit, based on family composition, upon appropriate notice by the owner of HUD that such a dwelling unit is available. Such a

family shall have priority over a family on the owner's waiting list seeking the same size unit.

(b) *Change in family composition, owner's responsibilities.* Upon receipt by the owner of a notification by the family of a change in the family size, the owner agrees to offer the family a suitable unit as soon as one becomes vacant and ready for occupancy. If the owner does not have any suitable units or if no vacancy of a suitable unit occurs within a reasonable time, HUD may assist the family in finding a suitable dwelling unit and require the family to move to such unit as soon as possible.

(c) *HUD actions if appropriate size unit is not made available.* If the owner fails to offer the family a unit appropriate for the size of the family when such unit becomes vacant and ready for occupancy, HUD may abate housing assistance payments to the owner for the unit occupied by the family and assist the family in finding a suitable dwelling unit elsewhere.

[46 FR 19467, Mar. 31, 1981]

§ 886.326 Adjustment of utility allowances.

When the owner requests HUD approval of an adjustment in Contract Rents under § 886.312, an analysis of the project's Utility Allowances must be included. Such data as changes in utility rates and other facts affecting utility consumption should be provided as part of this analysis to permit appropriate adjustments in the Utility Allowances. In addition, when approval of a utility rate change would result in a cumulative increase of 10 percent or more in the most recently approved Utility Allowances, the owner must advise the Secretary and request approval of new Utility Allowances.

(Approved by the Office of Management and Budget under control numbers 2502-0352 and 2502-0354)

[51 FR 21864, June 16, 1986]

§ 886.327 Lease requirements.

(a) *Term of lease.* (1) The term of a lease, including a new lease or a lease amendment, executed by the owner and the family must be for at least one